



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Denver, CO 80204

Reply to
Attn. of: SP 94-C-23

NOV 8 1993

Subject: Coordinated Review Guidance (Final Form)

To: STATE AGENCY DIRECTORS - Colorado ED, Iowa, Kansas, Missouri ED,
(Special Nutrition Programs) Montana OPI, Nebraska ED, North Dakota,
South Dakota, Utah, and Wyoming ED

Attached is a copy of the Coordinated Review Guidance, in its final form, for each of your consultants. There have been changes in some policies and procedures since the draft guidance was written. The following is a brief list of the most significant changes, clarifications or variances from guidance previously provided by this office:

1. Page 3-15 - "If the 10% test results in a 5% or greater error rate..." and on page 5-1 - "...if the benefit issuance review exceeds the 5% error rate..." do not agree. "...5% or greater..." as stated on S-2, Question 202a. is correct.
2. Page 3-19 - 203 Selecting the Time Period to Review - "When evaluating the system used to update eligibility, the time period being reviewed should be the same as the time period reviewed for eligibility certification and benefit issuance, except for changes which were needed as a result of verification." This is correct and represents no change but may need some clarification. If changes which should have been made as a result of verification were not made, but the error does not extend into the review month, the errors should be listed on S-5 but not included as a PS-1 violation. For example, December is the review month; changes resulting from verification should have been made no later than January 4, and the reviewer finds during a review on February 2 that they were not made. The State Agency (SA) may, at its option, calculate an overclaim and must, in all cases, require corrective action.
3. Pages 3-27, 3-33 and 7-11 - If menus are found which are missing one or more components, and it is known that the same menu was served in other unreviewed schools in the district, fiscal action must include all schools which served the deficient menu. The meals for all schools reviewed or unreviewed must be determined and recorded on S-8, Other Meal Claim Errors - Fiscal Action Required, and the claim calculated on FA-6 line 2, Other SFA Errors, rather than on FA-1. This is to prevent disallowing the same meal twice.

4. Page 3-29 - Question 402 on S-4 only concerns the free meal count. The guidance also addresses reduced-price meals. There is no requirement to review reduced price counts for excessive numbers, but if these counts appear questionable, they should be noted and pointed out to the SFA. A claim may be taken at the SA's discretion.
5. Page 7-1 - Forms FA-2, FA-3, FA-4, FA-5 and FA-7 should be completed only if needed, and if no fiscal action is required, none of the FA forms need to be completed.
6. Page 7-3 - The \$600 disregard limit is still per program but not per fiscal year. Claims calculations must still be done by fiscal year but must be netted together before determining if the total claim is under the limit which may be disregarded. In addition, the \$600 limit applies to the first review and all subsequent follow-up reviews netted together.
7. Page 7-7 - We previously advised that claims for certification errors which resulted in a decrease in benefits requiring a 10-day notice of adverse action should be calculated to the date the benefits were actually changed. The guidance states that the claim should be calculated only to the date the notice was provided to the household.
8. Page 7-16 - "The reviewers count of eligible students from S-1, block 13, is the recommended basis for determining eligible meals. This count should be used for all periods requiring recalculations, unless different counts can be validated." While this was in the draft guidance also, it is contrary to the way we have done recalculations in the past when we have accepted the schools' count of eligibles by month. Future recalculation procedures should follow this guidance.
9. Page 9-6 - New sample letter.

If you have any questions, please call our review unit at (303) 844-0355.

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Regional Director
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Attachment